

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA**

Case No.: 1:23-cv-20727-RKA

**RYAN BRESLOW, et al.,**

Plaintiffs,

v.

**MARK PHILLIPS, et al.,**

Defendants.

\_\_\_\_\_/

**MOVEMENTDAO, et al.,**

Counterclaim-Plaintiffs,

v.

**RYAN BRESLOW, et al.,**

Counterclaim-Defendants.

---

**DECLARATION OF BENJAMIN REED**

---

I, Benjamin Reed, declare as follows:

1. I am a defendant in this action, am over the age of eighteen, and am competent to testify as to the matters herein. The following is based upon personal knowledge unless otherwise stated.

2. I am the Authorized Member of Counterclaim-Plaintiff MovementDAO (“MovementDAO”), and I am therefore familiar with MovementDAO’s business records and files.

3. At present, the Movement Gnosis Account contains cryptocurrency equivalent to \$11,978,213.15, and the Developer Gnosis Account contains cryptocurrency equivalent to \$21,801.65. These values fluctuate based on the value of DAI and Ethereum relative to the dollar.

4. Attached hereto as **Exhibit 1** is a true and correct copy of MovementDAO's cash accounting, which I prepared based on my knowledge of MovementDAO's records and files.

5. Attached hereto as **Exhibit 2** is a true and correct copy of MIP-0018, which MovementDAO maintains in its records and files in its ordinary course of business. MIP-0018 shows that MovementDAO owed Mikhail Radin ("Mr. Radin") 234,035 DAI (nearly the same amount in dollars) for deferred 2022 compensation. MIP-0018 was approved by the MovementDAO community.

6. As Mr. Radin continued to work for MovementDAO in 2023, MovementDAO continued to incur financial obligations to Mr. Radin for services rendered.

7. On February 14, 2023, before the Court's Order Granting the Plaintiffs' Emergency *Ex Parte* Application for Entry of Temporary Restraining Order, dated February 28, 2023 (the "TRO") was issued, MovementDAO paid Mr. Radin \$79,520.00 for work he performed in December 2022 and January 2023, which is separate from the deferred compensation obligation shown in MIP-0018.

8. On March 8, 10, and 13, 2023, MovementDAO issued payment to Mr. Radin in the respective amounts of \$100,000.00, \$100,000.00, and \$38,417.67, which would have constituted payment in full through April 2023.

9. It is my understanding as Authorized Member of MovementDAO that MovementDAO owes Mr. Radin the \$238,417.67 that he returned to MovementDAO on April 13, 2023.

10. MovementDAO contracts with Action Engine, a company operated by Sergey Sukov, for support engineering and development consulting. Action Engine began performing work for what became MovementDAO in September 2021. Action Engine's work focuses on core back-end infrastructure, website development, and cloud service deployment. MovementDAO currently owes Action Engine \$55,000.00 for services rendered, which is equivalent to three months of services.

11. Action Engine has taken its three application developers off the MovementDAO development project, resulting in further delays and distractions for the core development team.

12. Yuri Popov is a part-time developer who has provided support engineering services to MovementDAO on a part-time basis since September 2022. Mr. Popov's work focuses on MovementDAO's web application, user interface styling, internationalization, and infrastructure testing. MovementDAO currently owes Mr. Popov \$4,527.25 for services rendered, which is equivalent to one month of services.

13. Aishwarya Narayana is a design and program manager who has provided services to MovementDAO since January 2023. Ms. Narayana's focus is developing the text and graphic interfaces by which users will interact with MovementDAO's application, and she also provides branding and product expression services. MovementDAO pays Ms. Narayana through the company Viciously AB (which is owned and operated by Evita Stenqvist, another MovementDAO developer). MovementDAO currently owes Ms. Narayana \$32,000.00 for services rendered, which is equivalent to two months of services. Ms. Narayana provided a resignation notice to McKinsey & Company (where she was previously employed) to focus on MovementDAO on a full-time basis.

14. In addition to these contractors, MovementDAO owes Meow, LLC (owned and operated by Mr. Phillips) \$30,860.00 for advancing funds MovementDAO owed Daniel Resnick-Neillie for work he provided to MovementDAO's for governance and documentation.

15. On May 31, 2023, MovementDAO will owe Mr. Radin \$33,333.34 for services rendered in May 2023.

16. On May 31, 2023, MovementDAO will owe Ms. Stenqvist \$30,000.00 for services rendered in May 2023. Ms. Stenqvist has served as MovementDAO's lead front-end developer since April 2022. Ms. Stenqvist is responsible for all website and user interface components of the MovementDAO and associated DAOLABS platforms. Ms. Stenqvist also supervises Action Engine and Ms. Narayana's work.

17. On May 31, 2023, MovementDAO will owe Ms. Narayana \$16,000.00 for services rendered in May 2023.

18. On May 31, 2023, MovementDAO will owe Sameer Tariq \$15,000.00 for services rendered in May 2023. Mr. Tariq has worked as a senior Typescript developer for MovementDAO since December 2021. Mr. Tariq works on MovementDAO's core application development and its back-end systems architecture.

19. On May 31, 2023, MovementDAO will owe Mr. Resnick-Neillie \$7,715.00 for services provided in May 2023. Mr. Resnick-Neillie is an attorney who began providing services to MovementDAO in 2023, and responsibilities include reviewing governance proposals, editing legal and entity formation documents, conducting legal research, drafting legal analysis, and providing advice on general legal matters.

20. On May 31, 2023, MovementDAO will owe Natalia Phillips \$15,000.00 for services rendered in May 2023. Ms. Phillips is a designer and graphic artist who has provided

services to what became MovementDAO since November 2021. Ms. Phillips is responsible for most of the artwork utilized by MovementDAO and its affiliates, including, without limitation, MovementDAO's entire application interface for both the DAO treasury and the non-fungible tokens ("NFT") collection system; artwork for the platform NFTs including the MAPE non-fungible tokens used for voting; the PeaceDAO brand, merchandise and NFT; and the DAOLABS logo, branding, and governance website.

21. I have incurred expenses on MovementDAO's behalf in the amount of \$22,095.91 for which he has received no reimbursement.

22. Prior to the initiation of this lawsuit, I generally used my personal Wells Fargo checking account with an account number ending in 9216 ("Reed Wells Fargo Account") for personal purposes.

23. I have caused MovementDAO funds to be routed through the Reed Wells Fargo Account to facilitate the payment of vendors, and I have made efforts to cease using this account in an abundance of caution in order to avoid a dispute about my compliance with the TRO.

24. While MovementDAO's contractors have provided valuable services for MovementDAO, their work will likely cease if the Court does not permit them to be paid.

25. Without the work of these contractors, almost all development work on MovementDAO will cease; all work performed by the parties to-date will have been for naught; the MovementDAO platform will never be completed; and no further social movements will be funded.

26. I rely on the Reed Wells Fargo Account to pay bills and living expenses, including the mortgage on my home, and I will face significant hardship unless the Court confirms that I may access the funds in this account.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: May 16, 2023

DocuSigned by:  
  
AF782D911EF54B9  
\_\_\_\_\_  
Benjamin Reed

# EXHIBIT 1

## AMOUNT OF CRYPTOCURRENCY RECEIVED BY BENJAMIN REED &amp; MARK PHILLIPS - CONVERTED TO FIAT AND NOT UNWOUND

TnX Date	From ENS	To ENS	Amount - USD	Comments
2/2/2023	dev.gnosis.eth	benreed.eth	\$ 592,378.66	\$500,000 indemnification; \$92,378.66 payroll
2/2/2023	dev.gnosis.eth	benreed.eth	\$ 250,159.91	Movement 2023 operating expenses
2/2/2023	dev.gnosis.eth	benreed.eth	\$ 322,034.67	Mikhail Radin's payroll
2/2/2023	dev.gnosis.eth	Mark Phillip's Robinhood	\$ 64,937.51	reimbursement of expenses - Meow, LLC Dec. 2022/Jan. 2023
2/2/2023	dev.gnosis.eth	tankbottoms.eth	\$ 1,058,676.73	\$500,000 indemnification; \$558,676.73 payroll
				reimbursement of expenses - Daniel Resnick-Neillie, unwound with
2/5/2023	dev.gnosis.eth	serviceprovider.eth	\$ 16,298.00	return of service-provider funds
			\$ 2,304,485.48	Total funds received by Benjamin Reed & Mark Phillips

*\*funds were returned to gnosis with last service-provider Txn*

## TRANSACTIONS RELATED TO MOVEMENTDAO WITH MOVEMENTDAO'S FUNDS


Date	Transfer From	Transfer To	Amount - USD	Comments
2/9/2023	DAOLABS-LLC...0195	Aishwarya Narayana (summerelf)	\$ 7,350.00	Payment for UX, UI, branding work
2/9/2023	DAOLABS-LLC...0195	DAOLABS-Credit...4139	\$ 18,669.89	DAOLABS LLC credit card payment
2/10/2023	DAOLABS-LLC...0195	Action Engine	\$ 47,000.00	Developer consultant payment, Dec/Jan invoices
2/13/2023	DAOLABS-LLC...0195	Chase bank	\$ 35.00	Bank fee
2/13/2023	DAOLABS-LLC...0196	Dhillon Law Group	\$ 250,000.00	Reed indemnification payment to DLG
2/13/2023	MEOW...0326	Dhillon Law Group	\$ 50,000.00	Phillips indemnification payment to DLG
2/14/2023	DAOLABS-INC...2721	Mikhail Radin	\$ 79,520.00	Mikhail Radin payment (\$322,034.67), installment 1 of 4
2/16/2023	DAOLABS-LLC...0195	Chase bank	\$ 15.00	Bank fee
2/23/2023	DAOLABS-INC...2721	DAOLABS-LLC-Coinbase	\$ 100.00	Seed payment for DAOLABS LLC Coinbase business account
				Reimbursement of expenses to Meow, LLC in accordance with MIP-0017
2/27/2023	DAOLABS-INC...2721	Meow-LLC...0326	\$ 40,000.00	
3/8/2023	DAOLABS-LLC...0195	Mikhail Radin	\$ 100,000.00	Mikhail Radin payment (\$322,034.67), installment 2 of 4
3/10/2023	DAOLABS-LLC...0195	Mikhail Radin	\$ 100,000.00	Mikhail Radin payment (\$322,034.67), installment 3 of 4
3/13/2023	DAOLABS-LLC...0195	Mikhail Radin	\$ 38,417.67	Mikhail Radin payment (\$322,034.67), installment 4 of 4
3/15/2023	DAOLABS-LLC...0195	Chase bank	\$ 40.00	Bank fee
3/15/2023	DAOLABS-LLC...0195	Aishwarya Narayana	\$ 14,700.00	SummerElf payment for UX, UI, branding work
3/16/2023	DAOLABS-LLC...0196	8cast Corporation	\$ 548.25	Consultant - financial; financial model work
				Transfer of deferred developer payout funds back to DAOLABS LLC
4/13/2023	Mikhail Radin	DAOLABS-LLC...0195	\$ (238,417.67)	Chase account
			\$ 507,978.14	

## BALANCE OF FIAT ACCOUNTS - MOVEMENT &amp; PERSONAL

Date	Account	Beginning Balance (USD)	Current Balance (USD)	Comments
4/12/2023	DAOLABS LLC CHASE CHECKING...0195	\$ 1,336.46	\$ 280,498.32	Current balance as of 5/10/23
4/12/2023	DAOLABS INC CHASE CHECKING...2721	\$ 1,185.00	\$ 111,049.67	Current balance as of 5/10/23
4/12/2023	BEN REED ROBINHOOD	\$ 90.26	\$ 261.26	Current balance as of 5/10/23
4/12/2023	BEN REED CHASE CHECKING...4135	\$ 188.00	\$ 257,138.33	Current balance as of 5/10/23
4/12/2023	BEN REED WF CHECKING...9216	\$ 5,855.19	\$ 126,119.62	Current balance as of 5/10/23
4/12/2023	MARK PHILLIPS ROBINHOOD - INVESTMENT	-	\$ 1,216,929.23	Current balance as of 5/10/23
4/12/2023	MARK PHILLIPS ROBINHOOD - SPENDING	-	-	Current balance as of 5/10/23
4/12/2023	MEOW LLC CHASE CHECKING...0326	\$ 100.55	\$ 45,316.89	Current balance as of 5/10/23
			\$ 2,037,313.32	
Total fiat				DAOLABS + Personal accounts
Accounted for Movement funds			\$ 2,545,291.46	Spent TRO funds + Fiat account balances



# EXHIBIT 2



snapshot


Connect wallet

...

← Back

# MIP-0018: Proposal for Deferred 2022 Developer Payouts

Closed


 Movement DAO: Consensus Space by [rice\\$cracker](#)

Core

↑ ...

Authors: [benreed.eth](#)

Date: 2023-01-31



## Thesis

Over the course of 2022, certain developer consultants ("Developers"), listed below, requested the DAO to defer payouts until the upcoming new year. The DAO accepted the request of the Developers and deferred certain payouts. Now that it is the new year, 2023, monies from deferred payouts can now be paid to the Developers.

## Motivation

Attracting and retaining top developer talent is the top priority for the DAO. In an effort to support this priority, the Service Provider and Authorized Members of the DAO, [benreed.eth](#) and [tankbottoms.eth](#), agreed to the Developers request to defer payouts. It is in the best interest of the DAO to honor all agreements made with these Developers in order to avoid loss of talent and maintain the DAO's reputation.

## Specification

https://snapshot.org/#/snapshot.movedao.eth/proposal/0x77d44fc4cb180794e724cbe06276f39ad6b8f3d0a63f4ed0c889a4c11ac47777

1/7  
000272

The Gnosis Multi-sig<sup>[1]</sup> shall transfer DAI 349,035 , to the Developer Multisig<sup>[2]</sup>.

### Deferred Developer Payout

The following table represents the total amount of deferred 2022 payouts now due to the Developers. The Developers each have agreements with the DAO and are recognized as senior developers within their respective technology areas: Solidity Smart Contract and UX front-end Typescript development.

Due Date	Developer Consultant	Deferred Amount	Deferred Months	Practice Area
2023-01-01	0xF1cf...eD7C	DAI 234,035	January, October, November	Smart Contracts
2023-01-01	0x89Ff...84fF	DAI 85,000	October, November	UX Typescript
2023-01-01	0x57a1...0d37	DAI 30,000	October, November	UX Typescript

The total amount of developer payouts deferred in 2022 was DAI 349,035 .

### Utilization

The Authorized Members, benreed.eth and tankbottoms.eth, have reviewed and confirm this was the agreement made with the above mentioned Developers.

mentioned Developers.

## Rationale

The DAO is required to abide by its Guiding Principles and Code of Conduct, requiring its Members to honor agreements made in good faith and follow through with deferred payouts. Additionally the DAO aspires to be an attractive destination for top talent in Web3; therefore, the DAO's Authorized Members want to continue to support requests of the few developers it employs including flexible payout requests.

## Risks

- Delay in the deferred payouts has resulted in loss of trust and goodwill from the Developers.
- Deferred payouts require additional overhead and administrative support to execute.
- Deferred payouts have the potential to distort budget burn rates and complicate accounting.

---

## Snapshot Consensus by the DAO Members

Whereas the DAO through its Members voted to adopt the following actions via Snapshot and resolves as follows:

**RESOLVED:** That the DAO Multisig transfer of DAI 349,035 to the Developer Multisig (hereinafter, "Deferred Developer Payout") is hereby adopted and approved;

**FURTHER RESOLVED:** That the Developer Multisig further transfer DAI 349,035 to the accounts specified by the previously mentioned developers for the deferred 2022 payouts. Account transfers may

include conversion to fiat currency and or other digital assets.

**RESOLVED FURTHER:** That the Authorized Members convened and are hereby jointly and severally authorized to take any and all actions, along with executing or signing any cryptocurrency transactions, and executing and delivering any other documents, agreements, instruments, and/or certificates as he or she may deem necessary, advisable, or incidental, in connection with the preceding resolution, and other resolutions herein, or any related documents. This also includes authorization to perform or resolve the obligations of the DAO, and/or its affiliates.

**RESOLVED FURTHER:** That any and all actions taken by the Authorized Members to carry out the purposes and intent of the foregoing resolutions prior to their adoption are approved, ratified, and confirmed.


This action by the Authorized Members shall be effective as of the date the DAO receives the consent of its Members via the Snapshot vote. This action by the Authorized Members may be executed in any number of counterparts, each of which shall constitute an original and all of which together shall constitute one action.

## Authors

1. 0xA4e6C2B6264652444B3F0cc1bB37496AE916931c

---

1. The DAO Multisig is a Gnosis Safe at

0x143cC0A996De329C1C5723Ee4F15D2a40c1203c6 on the Ethereum Mainnet. 

2. The Developer Multisig is a Gnosis Safe at

0x2187e6a7c765777d50213346F0Fe519fCA706fbD on the Ethereum

Mainnet. 

Votes 5

Show less



 0x2987...0fE0

For

1.9M MOVE 

 0x2770...fC63

For

200K MOVE 

 rice\$cr... Core

For

197K MOVE 

 0x4e33...a525

For

101K MOVE 

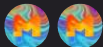
 0xc928...A296

For

80K MOVE 

Information

Strategie(s)



IPFS

#bafkrei 

Voting system

Basic voting

Start date

Feb 2, 2023, 2:27 AM

End date

Feb 9, 2023, 2:27 AM

Snapshot

16,540,511 

Results

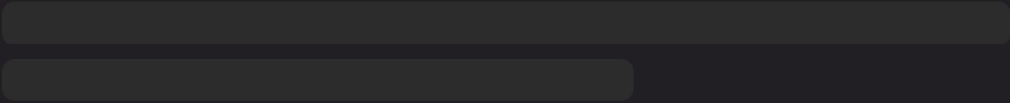
For

2.4M MOVE 100%

Against

0 MOVE 0%

I voted POAP







address	choice	voting_power	timestamp	date_utc	author_ipfs_hash
0x298761434ba7d4c99825C5317e643D2818Aa0fE0	1	1866129.295	1675334792	Thu, 02 Feb 2023 10:46:32 GMT	bafkreigqjjiga5phdw4u5l62klhgvrbec5rddyjhgbub7z7wzcz4rpbhvq
0x2770736960c4739f96d3a033676ff0e34e71fC63	1	200276.96	1675473194	Sat, 04 Feb 2023 01:13:14 GMT	bafkreif7jbozjmflm6s3el5wkeh1x4beuy43bxhg3yo7ml4r5452wsdegi
0xA4e6C2B6264652444B3F0cc1bB37496AE916931c	1	197010.91	1675343884	Thu, 02 Feb 2023 13:18:04 GMT	bafkreib4fzse6igy2tlbgwt6vj6dixwrpei3ktmyvbkimrrflcglptdmai
0x4e33Ac0C5F929A0De68338f534e6DD3b2e44a525	1	100951.97	1675403428	Fri, 03 Feb 2023 05:50:28 GMT	bafkreiaqpmpxkotaf433v5gf6qh6qhyo6n7wh4plydzxnm76weraneymfy
0xc9284a9FD6D8C484bFD7e24f26B1634585f0A296	1	79999.995	1675468003	Fri, 03 Feb 2023 23:46:43 GMT	bafkreiepfyzspxsnn6qrkreav2i2qovuo27b7dvafqwhaukiyb5xeewze